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DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-818)]

Certain Corrosion-Resistant Carbon Steel Flat Products From Korea: Final Results of Expedited Five-Year ("Sunset") Review of the Countervailing Duty Order

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: On January 3, 2012, the Department of Commerce ("the Department") published in the Federal Register the notice of initiation of the third five-year sunset review of the countervailing duty order on certain corrosion-resistant carbon steel flat products ("CORE") from the Republic of Korea ("Korea"), pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). See Initiation of Five-Year ("Sunset") Review, 77 FR 85 (January 3, 2012) ("Third Sunset Review"). On the basis of a notice of intent to participate and an adequate substantive response filed on behalf of domestic interested parties, and an inadequate response from respondent interested parties (in this case, no response), the Department has conducted an expedited sunset review of this order pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B). As a result of this sunset review, the Department finds that revocation of the countervailing duty order is likely to lead to continuation or recurrence of a countervailable subsidy at the level indicated in the "Final Results of Review" section of this notice.

EFFECTIVE DATE: [Insert date of publication in the <u>Federal Register.</u>]

FOR FURTHER INFORMATION CONTACT: Robert Copyak, AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-2209. SUPPLEMENTARY INFORMATION:

Background

The countervailing duty order on CORE from Korea was published in the Federal

Register on August 17, 1993. See Countervailing Duty Orders and Amendments to Final

Affirmative Countervailing Duty Determinations: Certain Steel Products from Korea, 58 FR

43752 (August 17, 1993). On January 3, 2012, the Department initiated the third sunset review of the countervailing duty order on CORE from Korea, pursuant to section 751(c) of the Act.

See Third Sunset Review. The Department received notices of intent to participate from ArcelorMittal USA, LLC, Nucor Corporation, and United States Steel Corporation (collectively, "domestic interested parties"), within the deadline specified in 19 CFR 351.218(d)(1)(i).

Domestic interested parties claimed interested party status under section 771(9)(C) of the Act, as U.S. producers engaged in the manufacture, production, or wholesale of CORE in the United States.

The Department received a complete substantive response from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). However, the Department did not receive a substantive response from any respondent interested party to this proceeding. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited review of the order.

Scope of the Order

The merchandise covered by the order includes flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of

0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule of the United States ("HTSUS") under item numbers 7210.31.0000, 7210.39.0000, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.60.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.21.0000, 7212.29.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7215.90.1000, 7215.90.5000, 7217.12.1000, 7217.13.1000, 7217.19.1000, 7217.19.5000, 7217.22.5000, 7217.23.5000, 7217.29.1000, 7217.29.5000, 7217.32.5000, 7217.33.5000, 7217.39.1000, and 7217.39.5000. Included in the order are flat-rolled products of non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (i.e., products which have been "worked after rolling") -- for example, products which have been beveled or rounded at the edges. Excluded from the order are flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead ("terne plate"), or both chromium and chromium oxides ("tin-free steel"), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating. Excluded from the order are clad products in straight lengths of 0.1875 inch or more in composite thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness. Also excluded from the order are certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 millimeters in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%-60%-20% ratio. Although the HTSUS

subheadings are provided for convenience and customs purposes, the written description of the merchandise covered by the order is dispositive.

Analysis of Comments Received

All issues raised in this review are addressed in the Issues and Decision Memorandum ("Decision Memorandum") from Gary Taverman, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Import Administration, dated concurrently with this notice, which is hereby adopted by this notice. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum which is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). Access to IA ACCESS is available in the Central Records Unit, room 7046, of the main Commerce building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at http://ia.ita.doc.gov/frm. The electronic versions of the Decision Memorandum in IA ACCESS and on the Web are identical in content.

Final Results of Review

The Department determines that revocation of the countervailing duty order on CORE from Korea is likely to lead to continuation or recurrence of countervailable subsidies at the following countervailing duty rates:

Manufacturer/Exporter	Net Subsidy Margin (percent)
Pohang Iron and Steel Company	0.57%
Dongbu Steel Ltd.	0.75%
Country-Wide ¹	1.26%

Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing these final results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

¹ Union Steel Manufacturing Co. was excluded from the order on the basis of a <u>de minimis</u> net subsidy rate. <u>See Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products From Korea: Amended Final Affirmative Countervailing Duty Determinations in Accordance with Decision Upon Remand, 66 FR 16656 (March 27, 2001).</u>

Ronald K. Lorentzen Acting Assistant Secretary for Import Administration

May 2, 2012 (Date)

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